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SUBJECT: BOSNIA: SERBIA AND HUNGARY SECURE NATURAL GAS FOR
BIH

REF: A. SARAJEVO 19

[1](#)B. 08 SARAJEVO 1722

[1](#)1. Summary: Freezing citizens of Bosnia's capital of Sarajevo received some relief from the natural gas crisis on Friday and Saturday when Serbia and Hungary, via the German-owned EON natural gas storage facility, provided a temporary supply of natural gas to Bosnia's pipeline system. Sarajevo's Mayor applauded Serbia's effort in sending gas to Bosnia and the gas from Hungary will be enough to supply individual homes and industrial giant Archelor Mittal Steel with natural gas for short-term needs. Supplies beyond the short-term are still a concern. Embassy direct hire homes will remain on alternate systems until gas supplies are certain. One Amcit resident in Bosnia was injured in a gas explosion on January 10; she is scheduled to be evacuated to Germany today. End Summary.

[1](#)2. Last week's heating crisis in Bosnia's capital of Sarajevo (Ref A) and in other isolated towns in the Federation due to the pan-European natural gas crisis was abated on Friday evening by supplies of 20,000 cubic meters of natural gas from neighboring Serbia. This supply was sufficient to provide heating to families who were unable to find alternative sources of heating. Sarajevo Mayor Semiha Borovac welcomed Serbia's decision to supply gas to Bosnia, calling it a "gesture of goodwill".

[1](#)3. In a second piece of good news, Hungary, via the German-owned EON natural gas storage facility, supplied one million cubic meters of natural gas to Bosnia starting on Saturday. Bosnian officials expect this supply to meet the heating needs of consumers in Sarajevo and other towns, as well as energy needed by Archelor Mittal Steel for the short term. Elektroprivreda BiH, Sarajevo's electricity supplier, announced a 33 percent spike in usage during the natural gas shortage. EP BiH officials spent much of last week and the weekend dealing with more than 100 repairs of the electricity grid where lines had blown to due overuse.

[1](#)4. Unfortunately, even Bosnia's temporary natural gas supplies are not yet secure. BH Gas General Manager Becarevic is now concerned that a dispute between Hungary and Serbia over unpaid natural gas bills from last week will spill over and cause problems for Bosnia's supply. He claimed the Hungarians cut off natural gas supplies to Serbia at 6 a.m. this morning.

[1](#)5. Embassy Sarajevo direct-hire staff housing has all been converted to electric or fuel oil back-up heating systems. The Embassy held a town hall meeting last Friday morning to discuss the situation. There were no reported major problems. Embassy medical staff closely monitored air pollution, which did not reach dangerous levels. Nonetheless, Embassy staff were advised to avoid outdoor exercise and to use their home air filters. Because of the lack of certainty regarding the availability of the temporary gas supplies and questions regarding the quality, Embassy

housing will not be converted back to natural gas until the crisis is definitely past. Embassy personnel have been strongly cautioned against any attempts to reconvert their home systems without professional Embassy maintenance assistance because of the dangers involved.

¶6. On January 10, an Amcit living in Sarajevo was injured in a gas explosion in her home, which likely occurred when the family attempted to turn the gas back on. She received burns over 65 percent of her body and also has some damage to her respiratory system; however she is in stable condition at a local hospital. The BiH Government has offered financial assistance for her treatment and arranged a medevac to a burn center in Munich today. Her three children and husband, a Bosnian citizen, received minor injuries in the explosion, but were released after treatment.

ENGLISH